HE WASHINGTON POST

Venezuela Recalls

Post 2/23/77

From News Dispatches

CARACAS, Venezuela, Feb. 22—Venezuela has recalled its ambassador to Washington for consultations following published allegations that President Carlos Andres Perez received money from the Central Intelligence Agency while he was interior minister.

On his arrival here last night, Ambassador Ignacio Iribarren Borges told reportes: "I am sure that this incident will be cleared up and tah tthe United States will explain satisfactorily what happened."

Venezuela today also lodged a protest in Washington at a meeting of the Organization of American States. Venezuelan representative Jose Maria Machin read a statement from Perez denying that he received CIA payments. Machin added:

"We call on President Carter to take the necessary steps to apply the more moral policies he has advocated. Faced by this rotten organization [the CIA], he [President Carter] is confronted with his first test."

[In Washington, a spokesman said the State Department would have no comment today on Venezuela's recall of its ambassador.]

The New York Times, quoting CIA sources, said Perez received money from the CIA while he was interior minister in the early 1960s.

Perez has denied the charge, saying it is part of a plot to discredit Venezuela's Third World credentials and to counter Venezuela's nationalization of its iron and oil industries.

Perez in his statement said, "I cannot believe that this lying accusation . . . could have been made without obeying plans which involve the highest levels of government."

The Venezuelan government described the CIA as a criminal organization that tried to corrupt or ruin their reputations by hinting at association with the agency.

The charges have drawn protests in government and opposition circles in Venezuela,

Envoy Over CIA Charge

with all political parties here supporting Perez. U.S. Ambassador Viron P. Vaky was summoned to the Foreign Ministry for a full U.S. clarification of the allegations.

Foreign Minister Escovar Salom said the Venezuelan government reserved the right to take legal action against the New York Times and against the Washington Post, which also reported the allegations about Perez.

The Post published a brief news agency dispatch about the New York Times story.

The Venezuelan government said that a statement given to the two newspapers replying to the accusations against Perez was buried in The Times and The Post.

Former Presidents Luis Echeverria of Mexico and Eduardo Frei of Chile have denied similar allegations that they received payments from the CIA.

In Jesusalem today, former West German Chancellor Willy Brandt also denied allegations that he received funds from the CIA and said he has asked President Carter personally to investigate the charge.

Brandt, who is attending the Israeli Labor Party convention, told a news conference: "I personally asked President Carter to look into the charge made by an American paper that I accepted CIA funds and that the truth be determined. As far as I am concerned there is absolutely no truth in it."

The Washington Post listed Brandt last week as being among foreign leaders who were named as having received secret payments from the CIA in a book that had passages containing the names deleted on court order.

A letter to Carter from Brandt was delivered by Egon Bahr, chief executive of the West German Social Democratic Party, during a talk in Washington yesterday with the President's national security adviser, Zbigniew Brzezinski.